

TerrAscend Announces Oversubscribed C\$224 Million Non-Brokered Private Placement

Fully allocated with 80% of commitments from four large U.S. Institutional Investors including Wasatch Global

NEW YORK and TORONTO, Jan. 12, 2021 /CNW/ - TerrAscend Corp. ("TerrAscend" or the "Company") (CSE:TER) (OTCQX: TRSSF), a leading North American cannabis operator, today announced an over subscribed, non-brokered private placement for gross proceeds of approximately C\$224 million ("the "Offering") with 80% of commitments from four large U.S. institutional investors including Wasatch Global. The Offering consists of 18,115,623 common shares in the capital of the Company (the "Common Shares") issued at the price of C\$12.35 per Common Share.

"TerrAscend is strategically building depth and scale in some of the largest and highest growth markets in the U.S. cannabis industry," said Jason Ackerman, CEO and Executive Chairman of TerrAscend. "This financing further solidifies an already strong balance sheet providing the company with ample cash to both accelerate existing expansion plans and simultaneously pursue M&A transactions in additional limited license states."

The Company engaged ATB Capital Markets Inc. to advise on the Offering. Subject to customary closing conditions, including applicable CSE approvals, the Offering is expected to close on or about January 26, 2021.

The securities to be issued pursuant to the Offering have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the "1933 Act"), or under any state securities laws, and may not be offered or sold, directly or indirectly, or delivered within the United States absent registration or an applicable exemption from the registration requirements. This news release does not constitute an offer to sell or a solicitation to buy such securities in the United States.

The Canadian Securities Exchange ("CSE") has neither approved nor disapproved the contents of this news release. Neither the CSE nor its Market Regulator (as that term is defined in the policies of the CSE) accepts responsibility for the adequacy or accuracy of this release.

About TerrAscend

TerrAscend is a leading North American cannabis operator with vertically integrated operations in Pennsylvania, New Jersey, and California in addition to operating as a licensed producer in Canada. TerrAscend operates an award-winning chain of Apothecarium dispensary retail locations as well as scaled cultivation, processing, and manufacturing facilities on both the East and West coasts. TerrAscend's best-in-class cultivation and manufacturing practices yield consistent, high-quality cannabis, providing industry-leading product selection to both the medical and legal adult-use market. The Company owns a number of synergistic businesses and brands, including The Apothecarium, Ilera Healthcare, State Flower, Valhalla Confections, and Arise Bioscience Inc. For more information, visit www.terrascend.com.

About Wasatch Global Investors

Wasatch Global Investors is a 100% employee-owned investment manager founded in 1975 and headquartered in Salt Lake City, Utah. Wasatch had \$23.8 billion in assets under management as of July 31, 2020. Wasatch Global Investors is registered with the Securities and Exchange Commission under the Investment Advisers Act of 1940.

Forward Looking Information

This news release contains "forward-looking information" within the meaning of applicable securities laws. Forward-looking information contained in this press release may be identified by the use of words such as, "may", "would", "could", "will", "likely", "expect", "anticipate", "believe", "intend", "plan" and other similar expressions, and include statements with respect to future revenue and profits. Forward-looking information is not a guarantee of future outcomes or performance and is based upon a number of estimates and assumptions of management in light of management's experience and perception of trends, current conditions and expected developments, as well as other factors relevant in the circumstances, including assumptions in respect of the anticipated terms and use of proceeds of the Private Placement. Although the Company believes that the expectations and assumptions on which such forward-looking information is based are reasonable, undue reliance should not be placed on the forward-looking information because the Company can give no assurance that they will prove to be correct. Actual results and developments may differ materially from those contemplated by these statements. Forward-looking information is subject to a variety of risks and uncertainties that could cause actual events or results to differ materially from those projected in the forward-looking information. Such risks and uncertainties include, but are not limited to, the risk factors set out in the Company's annual information form dated May 31, 2019 as supplemented by management's discussion and analysis dated April 23, 2020 for the year ended December 31, 2019 and other filings with the Canadian securities regulators available under the Company's profile on SEDAR at www.sedar.com. Furthermore, the forward-looking information contained in this press release are made as of the date hereof and the Company does not undertake any obligation to update or to revise any of the included forward-looking statements or information, whether as a result of new information, future events or otherwise, except as required by applicable law.

Caution Regarding Cannabis Operations in the United States

Investors should note that there are significant legal restrictions and regulations that govern the cannabis industry in the United States. Cannabis remains a Schedule I drug under the US Controlled Substances Act, making it illegal under federal law in the United States to, among other things, cultivate, distribute or possess cannabis in the United States. Financial transactions involving proceeds generated by, or intended to promote, cannabis-related business activities in the United States may form the basis for prosecution under applicable US federal money laundering legislation.

While the approach to enforcement of such laws by the federal government in the United States has trended toward non-enforcement against individuals and businesses that comply with medical or adult-use cannabis programs in states where such programs are legal, strict compliance with state laws with respect to cannabis will neither absolve TerrAscend of liability under U.S. federal law, nor will it provide a defense to any federal proceeding which may be brought against TerrAscend. The enforcement of federal laws in the United States is a significant risk to the business of TerrAscend and any proceedings brought against TerrAscend thereunder may adversely affect TerrAscend's operations and financial performance.

SOURCE TerrAscend

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